

COISTE GAIRMOIDEACHAIS chontae chorcaí

COUNTY CORK VOCATIONAL EDUCATION COMMITTEE

Teach Yeats, Cearnóg na Beairice, Baile an Chollaigh, Chontae Chorcaí.
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Ms Marian Carr,
Assistant Principal Officer,
Further Education Section,
Skills Division,
Department of Education & Skills,
Cornamaddy,
Athone,
Co. Westmeath.

Further Education Section

- 1 -03- 2013

Department of Education & Skills

27 February 2013

Dear Ms Carr,

Further to your letter, dated 26th February 2013 I am happy to furnish the following information:

1. *Why did the VEC extend the lease for the Youthreach Centre in Mallow from 15 years to 35 years in 2008 without consulting this department* – CCVEC signed an indenture to the lease in 2008 to facilitate the development of a Creche for which, the funding was accessed through Pobal under the Government's National Childcare Investment Programme 2006 – 2010.
2. *What were the terms of this new lease, a copy of which should be forwarded for information* – I attach a copy.
3. *Why are there no payments to be made on this lease since the end of December 2011* – There are no payments due to be paid since December 2011
4. *Why does the Credit Union require the lease to continue until 31 December 2018 before consenting to the VEC buying out the lease* – It is my understanding that the Credit Union requested that the 'buy option' be deferred to 2018 to facilitate the 'write down' of the asset from their accounts.
5. *Why is the VEC agreeing to this arrangement* – CCVEC followed legal advice to CCVEC. It was agreed subject to the approval of the DoESk.
6. *Can you confirm that the amount to be paid to buy out the lease is €6,348.69 (£5,000)* – I confirm that the cost of buying out the lease is €6,348.69
7. *Did the VEC make an application for a loan, either formally or informally, to the Credit Union in respect of these premises* – CCVEC made an application to the Credit Union for a loan of £50,000 in 1998 and subsequently drew down that amount to cover the cost of repairs to the roof.
8. *Why did the Credit Union write a letter to the Co-ordinator of Mallow Youthreach Centre in 2008 sanctioning approval for a loan of €200,000* – It appears that this letter was received on foot of a discussion that took place at Board of Management level regarding the then potential shortfall in funding to furnish the Creche.
9. *Can you confirm that the VEC does not have any loan arrangements with Mallow Credit Union in relation to this or any other property* – I confirm that CCVEC does not have any loan arrangements with Mallow Credit Union in relation to this or any other property.



JOAN RUSSELL
Príomh Oifigeach Feidhmiúcháin
Chief Executive Officer

MARTIN HALLAHAN
Príomh Oifigeach

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MARY O'LEARY
Príomh Oifigeach Cúnta (Airgeadas)
Asst. Principal Officer, Finance

CONCHUBHAIR Ó CEANNABHUAIDH
Príomh Oifigeach Cúnta (Seirbhíse Teicneolaíochta)

10. *In relation to your letter of 26 March 2012 proposing that refurbishment works required at Mallow Youthreach Centre could be arranged through the landlord, Mallow Credit Union, with an agreed level of rent being paid for a further period of time, can you confirm that these works are no longer required and that the premises is suitable to continue operating the Youthreach programme - The said application was for funding which, would enhance the insulation and heating system in the building thus reduce the running costs. I confirm that the building is suitable to continue operating the programme.*

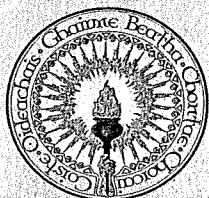
Yours sincerely,



Joan Russell

Príomh Oifigeach Feidhmiúcháin

'Oideachas Trí Pháirtíocht'



'Education Through